

# FROM FARM TO FOOD DONATION TAX CREDIT

**Prior Law** \_\_\_\_\_

None.

**New Provisions** \_\_\_\_\_

Division XVIII of 2013 Iowa Acts, Senate File 452 creates a Farm to Food Donation Tax Credit for individual and corporation income tax. In order to qualify for the credit, the taxpayer must produce a food commodity and donate it to an Iowa food bank or an Iowa emergency feeding organization. The donated food may not be damaged or out-of-condition and unfit for human consumption. A food commodity that meets the requirements for donated foods pursuant to the Federal Emergency Food Assistance Program satisfies this requirement.

Individual members of a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual shall claim the credit based upon the pro rata share of their earnings from the business entity.

The tax credit is available for 15% of the value of the food commodities donated in the tax year, when valued according to the federal guidelines for charitable contribution of food under Internal Revenue Code section 170(e)(3)(c), or \$5,000, whichever is less. The amount of the contribution for which the tax credit is claimed is not allowed as an itemized deduction for Iowa income tax.

Any credit in excess of the tax liability is not refundable, but the excess can be carried forward to the tax liability for the 5 five years, or until depleted, whichever is earlier.

**Section Amended** \_\_\_\_\_

Section 139 through section 144 of 2013 Iowa Acts Senate File 452 creates new sections 190B.301 through 190B.306, Code Supplement 2013. Section 145 creates new section 422.11E, Code Supplement 2013. Section 146 creates new section 422.33, subsection 30, Code Supplement 2013.

**Effective Date** \_\_\_\_\_

July 1, 2013, for tax years beginning on or after January 1, 2014.